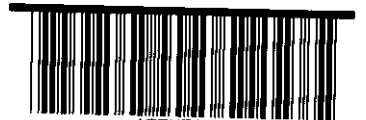


Company Registration No. 03450921 (England and Wales)

DYNASTY (UK) LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002



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DYNASTY (UK) LIMITED

COMPANY INFORMATION

Director	B Shah
Secretary	S Shah
Company number	03450921
Registered office	122 Fonthill Road Finsbury Park London N4 3HP
Accountants	Shah P J & Company Limited 301 Kenton Lane Harrow Middlesex HA3 8RR
Business address	122 Fonthill Road Finsbury Park London N4 3HP
Bankers	Bank of Cyprus (London) Ltd 23 Highgate Hill London N19 5LP

DYNASTY (UK) LIMITED

CONTENTS

	Page
Director's report	1
Profit and loss account	2
Balance sheet	3 - 4
Notes to the financial statements	5 - 8

DYNASTY (UK) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2002

The director presents his report and financial statements for the year ended 31 March 2002.

Principal activities

The principal activity of the company continued to be that of retail and wholesale of ready-made garments and fashion accessories.

Director

The following director has held office since 1 April 2001:

B Shah

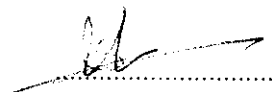
Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 March 2002	1 April 2001
B Shah	2	2

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



S Shah

Secretary

10/12/02

DYNASTY (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Turnover	2	521,926	348,864
Cost of sales		(384,722)	(224,928)
Gross profit		137,204	123,936
Administrative expenses		(119,699)	(132,811)
Operating profit/(loss)	3	17,505	(8,875)
Interest payable and similar charges		(3,504)	(4,041)
Profit/(loss) on ordinary activities before taxation		14,001	(12,916)
Tax on profit/(loss) on ordinary activities	4	(256)	-
Profit/(loss) on ordinary activities after taxation		13,745	(12,916)
Dividends		(10,000)	-
Retained profit/(loss) for the year	10	3,745	(12,916)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

DYNASTY (UK) LIMITED

BALANCE SHEET AS AT 31 MARCH 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	5		3,619		4,004
Current assets					
Stocks		240,061		196,360	
Debtors	6	23,815		9,972	
Cash at bank and in hand		3,765		2,083	
		<u>267,641</u>		<u>208,415</u>	
Creditors: amounts falling due within one year	7	(148,234)		(93,137)	
Net current assets			119,407		115,278
Total assets less current liabilities			<u>123,026</u>		<u>119,282</u>
Creditors: amounts falling due after more than one year	8		(100,000)		(100,000)
			<u>23,026</u>		<u>19,282</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		23,024		19,280
Shareholders' funds - equity interests	11		<u>23,026</u>		<u>19,282</u>

DYNASTY (UK) LIMITED

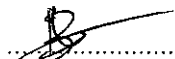
BALANCE SHEET (CONTINUED) AS AT 31 MARCH 2002

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 10/12/02



B Shah
Director

DYNASTY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% Reducing balance
Fixtures, fittings & equipment	25% Reducing balance

1.4 Stock

Stock is valued at the lower of cost and net realisable value.

1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

In the year to 31 March 2002 24.09% (2001 - 21.62%) of the company's turnover was to markets outside the United Kingdom.

3 Operating profit/(loss)

	2002	2001
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	1,324	1,335
Director's emoluments	13,335	20,672

DYNASTY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

4	Taxation	2002	2001
		£	£
	Domestic current year tax		
	U.K. corporation tax	256	-
	Current tax charge	256	-
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	14,001	(12,916)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 10.00% (2001 : 0.00%)	1,400	-
	Effects of:		
	Depreciation	132	-
	Capital allowances	(128)	-
	Tax losses utilised	(1,148)	-
		(1,144)	-
	Current tax charge	256	-
5	Tangible fixed assets		
			Plant and machinery etc
			£
	Cost		
	At 1 April 2001		8,809
	Additions		939
	At 31 March 2002		9,748
	Depreciation		
	At 1 April 2001		4,805
	Charge for the year		1,324
	At 31 March 2002		6,129
	Net book value		
	At 31 March 2002		3,619
	At 31 March 2001		4,004

DYNASTY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

6 Debtors	2002	2001
	£	£
Trade debtors	10,826	9,972
Other debtors	12,989	-
	<u>23,815</u>	<u>9,972</u>
7 Creditors: amounts falling due within one year	2002	2001
	£	£
Bank loans and overdrafts	59,509	44,415
Trade creditors	80,461	28,510
Taxation and social security	1,003	5,947
Other creditors	7,261	14,265
	<u>148,234</u>	<u>93,137</u>
8 Creditors: amounts falling due after more than one year	2002	2001
	£	£
Other creditors	<u>100,000</u>	<u>100,000</u>
Analysis of loans		
Wholly repayable within five years	<u>100,000</u>	<u>100,000</u>
Loan maturity analysis		
In more than two years but not more than five years	<u>100,000</u>	<u>100,000</u>
9 Share capital	2002	2001
	£	£
Authorised		
100,000 Ordinary shares of £ 1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>

DYNASTY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2001	19,279
Retained profit for the year	3,745
Balance at 31 March 2002	<u>23,024</u>

11 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit/(Loss) for the financial year	13,745	(12,916)
Dividends	(10,000)	-
Net addition to/(depletion in) shareholders' funds	<u>3,745</u>	<u>(12,916)</u>
Opening shareholders' funds	19,282	32,198
Closing shareholders' funds	<u>23,026</u>	<u>19,282</u>